

Recorded Oct. 24th, 1966-at-1:37 P.M.

THIS AGREEMENT, by and between MARYLAND MUTUAL NO. ONE, INC., a Maryland corporation, and MARYLAND MUTUAL NO. TWO, INC., a Maryland corporation, Trustors under that certain Trust Agreement, dated March 9, 1966, known as The Leisure World of Maryland Trust, hereinafter sometimes referred to as "TRUSTOR and SUBURBAN TRUST COMPANY, a banking corporation organized under the laws of the State of Maryland, Trustee under the aforesaid Trust, hereinafter referred to as "TRUSTEE":

RECITALS

- A. The parties hereto entered into The Leisure World of Maryland Trust on March 9, 1966, which Agreement is recorded among the Land Records for Montgomery County, Maryland, in Liber 3479 at folio 396, and was adopted by Maryland Mutual No. Two, Inc., by an Instrument of Adoption dated August 1, 1966, and recorded among the aforesaid Land Records on August 11, 1966, at 1:30 P.M.
- B. The parties hereto entered into a certain Amendment to The Leisure World of Maryland Trust on June 13, 1966, which Amendment is recorded among the aforesaid Land Records on June 28, 1966, at 10:47 A.M.
- C. The parties hereto consider it necessary to enter into this further Amendment to the aforesaid Trust Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and the further consideration of Ten Dollars (\$10.00), in hand paid, by each party to the other, receipt of which is hereby acknowledged, the parties hereto agree as follows:

PROVISIONS

1. Paragraph D (2) of the Recitals to the aforesaid Trust Agreement is hereby deleted in its entirety and the following language substituted therefor:
 - (2) Acquisition, construction or lease of various community facilities, and offsite improvements including but not limited to streets, utilities and drainage structures (all, together with the land underlying them to the extent interests in such land are held by TRUSTEE, are herein referred to as "Improvements") located within Leisure World and designed to meet the needs of the Cooperatives and their members and for such other uses and purposes as are specified in this Trust Agreement, such Improvements being expressly impressed with the trust declared hereunder.
2. Paragraph E. of the Recitals to the aforesaid Trust Agreement is hereby deleted in its entirety and the following language substituted therefor:
 - E. A schedule of the Community Facility Improvements, said Improvements hereinafter being referred to as "community facilities," is attached hereto marked

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Exhibit III and hereby made a part hereof. The order of conveyance and the facilities described by Exhibit III are subject to change, provided, however, that any such change shall be subject to the prior written approval of the FHA. The cost of the community facilities are estimates only and are not intended to limit the prices to be paid by the TRUSTEE for the acquisition or construction of community facilities, except that such prices are limited by funds available to the TRUSTEE for that purpose. The number of unit sales specified by Exhibit III are approximate only and are subject to increase or decrease depending upon the order in which the community facilities are actually acquired by the TRUSTEE, the actual price paid for each respective community facility and the requirements of FHA. Each Cooperative which may at any time become a TRUSTOR may have, as part of its FHA commitment for insurance of advances, offsite improvements, hereinafter called "offsites", which will, to the extent not publicly owned or part of a public utility system, become a part of the trust estate. The offsites may include, as part of the requirements of the FHA commitment, certain improvements on non-trust estate property and offsite monies will be considered useable for contributions required to be made for the making of such improvements. The terms "Improvement" or "Improvements" as used in this Agreement shall mean the community facilities and the offsites as hereinabove defined.

3. Paragraph H. of the Recitals to the aforesaid Trust Agreement is hereby deleted in its entirety and the following language substituted therefor:

H. With respect to each individual project, it is planned that each Cooperative which becomes an additional TRUSTOR shall transfer in trust to TRUSTEE an amount equal to the Estimated Available Market Price of Site in Fee Simple as set forth in the Project Income Analysis prepared by FHA for the Cooperative and such other amounts as may be available from sources other than mortgage proceeds, to the Cooperative for the acquisition or construction of community facilities less the price paid by the Cooperative for the land covered by the mortgage and the amount to be paid by the Cooperative for offsites. TRUSTEE shall apply such amount or amounts toward payment for the community facilities. It is further planned that the Cooperative's obligation to pay for the community facilities shall be fully discharged by payment to TRUSTEE of such amount or amounts which shall be deposited in the Improvement Fund Account as defined

in Section II, Paragraph B of this Agreement. The community facilities and the offsites which are to become a part of the trust estate shall be conveyed to the TRUSTEE free and clear of any liens, encumbrances or claims arising out of such acquisition subject to (1) current taxes assessed but not due, (2) such restrictions, covenants, rights-of-way and/or easements not adversely affecting the value or use of the property as are acceptable to the FHA and the TRUSTEE, and (3) the terms of this Trust Agreement, and (4) TRUSTEE shall be under no obligation to pay for any community facility except from the Improvement Fund Account or from funds borrowed for the purchase or construction of community facilities. Any funds borrowed for the purchase or construction of community facilities shall be repaid only from the Improvement Fund Account.

4. Paragraph B. Section II of the aforesaid Trust Agreement is hereby deleted in its entirety and the following language substituted therefor:

B. Any Cooperative which becomes an additional TRUSTOR and beneficiary hereunder pursuant to paragraph A (1) of Section III hereof, at the time of making such written election, shall deposit with TRUSTEE a statement of its contribution to the hereinafter defined Improvement Fund Account hereinafter referred to as "the statement". The statement shall set forth, as a total amount, an amount equal to Estimated Available Market Price of Site in Fee Simple as set forth in the Project Income and Analysis prepared by FHA for the Cooperative, and such other amounts as may be available from sources other than mortgage proceeds, to the Cooperative for the acquisition or construction of community facilities ("the total amount"). From the total amount shall be deducted the price paid by the Cooperative for the land covered by the Mortgage and the amount to be paid by the Cooperative for offsites. The difference shall be the amount which the Cooperative is to contribute to the Improvement Fund Account; said contribution is hereinafter called the "Improvement Fund Contribution".

With respect to any mortgage executed by any Cooperative and insured by FHA, such Cooperative, upon initial endorsement of the mortgage loan note by FHA, shall transfer in trust to TRUSTEE its Improvement Fund Contribution for the construction or

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acquisition of the community facilities. Immediately upon the receipt of any contribution to the Improvement Fund from any Cooperative, the TRUSTEE shall deposit the same in a separate account to be called the Improvement Fund Account. Except as otherwise herein provided, the TRUSTEE shall pay out of the Improvement Fund Account only the cost of community facilities acquired or constructed by TRUSTEE. In the case of the offsites with respect to which FHA may require an escrow to assure their completion, the Cooperative (or General Contractor at the request of the Cooperative, with funds provided by the Cooperative) shall deposit an amount equal to FHA's estimate of the cost thereof in an escrow with an FHA approved depository and such funds shall be held and disbursed pursuant to an escrow agreement approved by FHA.

5. Paragraph A. of Section V of the aforesaid Trust Agreement is hereby amended by the addition of the following language at the end of the second sentence thereof: "; and except for funds borrowed for the purchase or construction of community facilities (which borrowings are to be repaid from the Improvement Fund Account)."

6. Paragraph B. Section V of the aforesaid Trust Agreement is hereby amended by the deletion of the first sentence thereof and the substitution of the following language therefor: "No Cooperative shall be obligated to pay for community facilities more than its respective contribution to the Improvement Fund Account."

7. The first sentence of the final paragraph of paragraph Q. of Section V of the aforesaid Trust Agreement is hereby amended by being deleted in its entirety and having the following language substituted therefor:

Notwithstanding the foregoing, TRUSTEE shall have the right to borrow money for the purchase or construction of community facilities, which borrowing may be guaranteed by a third party or parties, provided that none of the trust assets are used as security for such borrowing.

8. Paragraph I of Section VII of the aforesaid Trust Agreement is hereby deleted in its entirety and the following language substituted therefor:

I. TRUSTEE is expressly prohibited from exercising any power vested in it under this Trust for the primary benefit of TRUSTEE, or for benefit of any person other than the beneficiaries of this Trust and the Cooperatives and their members. This provision shall not

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be construed to prohibit TRUSTEE from depositing any portion of the Trust Estate in its own bank or from obtaining loans from itself, or from using the community facilities, or permitting their use by others, for the purpose of promoting the sale of memberships of the Cooperatives, provided such use does not interfere with the reasonable use of the community facilities by the then beneficiaries, or from assigning rents and other proceeds receivable from the leasing of any portion of the community facilities, provided that such assignment is for the purpose of maintaining and using the community facilities.

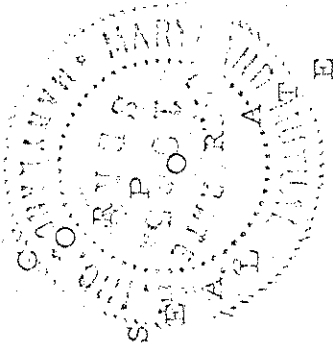
IN WITNESS WHEREOF, the said Maryland Mutual No. One, Inc. a Maryland corporation, TRUSTOR, has on this 26th day of September, 1966, caused this Agreement to be signed by Felix L. Vidal, its President, attested by Peggy L. Messick, its Assistant Secretary, and its corporate seal to be hereunto affixed, and does appoint Felix L. Vidal as its true and lawful attorney in fact to acknowledge and deliver this Agreement as its act and deed.

MARYLAND MUTUAL NO. ONE, INC.

By: *Felix L. Vidal*
Felix L. Vidal, President

Attest:

Peggy L. Messick
Peggy L. Messick, Assistant Secretary



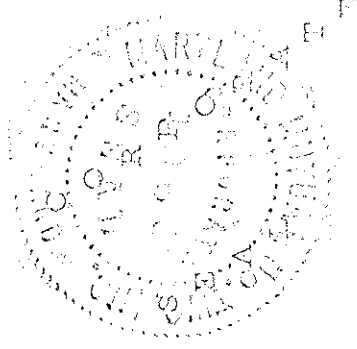
IN WITNESS WHEREOF, the said Maryland Mutual No. Two, Inc., a Maryland corporation, TRUSTOR, has on this 26th day of September, 1966, caused this Agreement to be signed by Felix L. Vidal, its President, attested by Peggy L. Messick, its Assistant Secretary, and its corporate seal to be hereunto affixed, and does appoint Felix L. Vidal as its true and lawful attorney in fact to acknowledge and deliver this Agreement as its act and deed.

MARYLAND MUTUAL NO. TWO, INC.

By: *Felix L. Vidal*
Felix L. Vidal, President

Attest:

Peggy L. Messick
Peggy L. Messick, Assistant Secretary

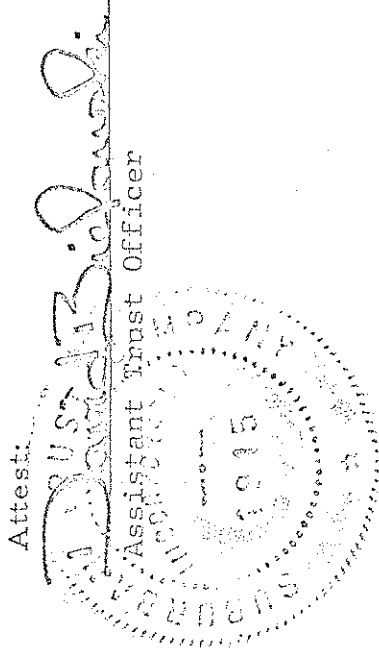


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IN WITNESS WHEREOF, the said Suburban Trust Company, a banking corporation organized under the laws of the State of Maryland, TRUSTEE, has caused this Agreement to be signed by Thomas S. Lawson, its Trust Officer, attested by David Bielauski, its Ass't. Trust Officer, and its corporate seal to be hereunto affixed, and does appoint Thomas S. Lawson as its true and lawful attorney in fact to acknowledge and deliver this Agreement as its act and deed.

SUBURBAN TRUST COMPANY

By: *Thomas S. Lawson*
Thomas S. Lawson, Trust Officer



C O R P O R A T E
S E A L A T E

Approved as to Form:

THE RIGGS NATIONAL BANK OF WASHINGTON, D. C., MORTGAGEE

By: *Robert E. Pickeral*
Robert E. Pickeral, Assistant Cashier

FEDERAL HOUSING ADMINISTRATION

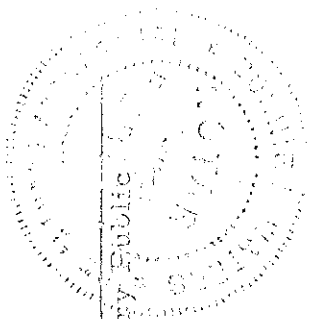
By: *Raye Dartman*
Authorized Agent

STATE OF MARYLAND)
)
COUNTY OF MONTGOMERY)

On this 26th day of September 1966, before me, the subscriber, personally appeared Felix L. Vidal, who acknowledged himself to be the President of Maryland Mutual No. One, Inc., a Maryland corporation, and that he, as such President, being authorized so to do, executed the foregoing Agreement for the purposes therein contained by signing the name of the Corporation by himself as President.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Bonnie L. Waters
Bonnie L. Waters, Notary Public



My Commission expires: July 1, 1967.

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STATE OF MARYLAND)
COUNTY OF MONTGOMERY)

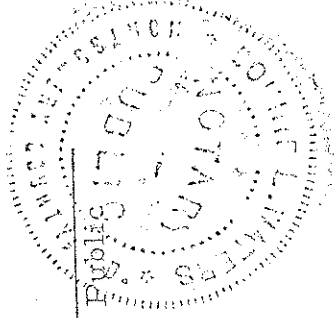
ss.

On this 26th day of September 1966, before me, the subscriber, personally appeared Felix L. Vidal, who acknowledged himself to be the President of Maryland Mutual No. Two, Inc., a Maryland corporation, and that he, as such President, being authorized so to do, executed the foregoing Agreement for the purposes therein contained by signing the name of the Corporation by himself as President.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Bonnie L. Waters

Bonnie L. Waters, Notary Public



My Commission expires: July 1, 1967.

STATE OF MARYLAND)
COUNTY OF MONTGOMERY)

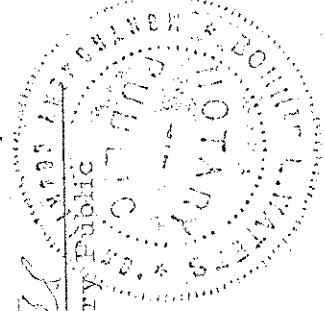
ss.

On this 26th day of September 1966, before me, the subscriber, personally appeared Thomas S. Lawson, who acknowledged himself to be the Trust Officer of Suburban Trust Company, a banking corporation organized under the laws of the State of Maryland, and that he, as such Trust Officer, being authorized so to do, executed the foregoing Agreement for the purposes therein contained by signing the name of the Corporation by himself as Trust Officer.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal.

Bonnie L. Waters

Bonnie L. Waters, Notary Public



My Commission expires: July 1, 1967.

LEISURE WORLD OF MARYLAND TRUST

SCHEDULE OF IMPROVEMENTS

(COMMUNITY FACILITIES)

<u>Order of Conveyance</u>	<u>Facility</u>	<u>Individual Facility Cost</u>	<u>Total Cost</u>	<u>Number of Unit Sales Required</u>
1.	Clubhouse No. One	1,480,425	1,480,425	0
2.	Administration Building Guard House No. Two	535,170 10,950	546,120	1,301
3.	World Theme Area Guard House No. One	241,950 17,100	259,050	1,781
4.	Medical Clinic	1,682,800	1,682,800	2,008
5.	Maintenance Building - Storage	647,100	647,100	3,487
6.	Information Center	32,050	32,050	4,055
7.	Meeting Hall Guard House No. Three	357,600 10,950	368,550	4,083
8.	Clubhouse No. Two	901,750	901,750	4,407
9.	Riding Stables Bus Stops (5)	283,600 12,200	295,800	5,199
10.	Auditorium	853,300	853,300	5,459
11.	Guard House No. Four	10,950	10,950	6,209
12.	Bus Stops (5)	12,200	12,200	6,219
13.	Green House	60,750	60,750	6,230
14.	Parks, Lake, Equestrian Trails	388,630	388,630	6,283
15.	Clubhouse No. Three	798,950	798,950	6,625
16.	Golf Course	1,903,200	1,903,200	7,327
			<u>10,241,625</u>	<u>(9,000)</u>

The order of conveyance and the facilities described herein are subject to change provided however that any such change shall be subject to the prior written approval of the FHA. The costs of the community facilities are estimates only and are not intended to limit the price to be paid by the Trustee for the acquisition or construction of community facilities except that such prices are limited by funds available to Trustee for that purpose. The number of unit sales specified herein is approximate only and is subject to increase or decrease depending upon the order in which the community facilities are actually acquired by the Trustee, the requirements of FHA and the actual price paid for each respective community facility.